

2015 STATE OF THE CITY ADDRESS – 6.3.15

Thank you, Councilmember Baines. I also want to thank my other colleagues on the Fresno City Council. Would you all please stand?

- D1 – Esmeralda Soria
- D2 – Steve Brandau
- D4 – Paul Caprioglio
- D6 – Lee Brand
- D7- Clint Olivier

It's been a privilege to serve alongside my council colleagues over the last 12 months. I respect your role in leading our community forward. Thank you for your courage. Please join me in giving them a round of applause.

I'd also like to thank the Greater Fresno Area Chamber of Commerce and CEO Al Smith for once again giving me this special forum to update Fresno's citizens on the State of our City. They've been steadfast in their commitment to our city, and I'm grateful for their ongoing involvement in making Fresno a better place.

A large part of that vision for Fresno was carried by Jack Hall. We all miss him, and if you're like me, you found yourself looking around today, expecting that big Irish smile to come walking up at any moment. But we remember his contributions to our community, his willingness to put aside politics and to, above all else, support things that are in the best interest of Fresno. We will forever be grateful for his dedication and his friendship. We miss you, Jack.

And, thank you to the other organizations that help host this event. You'll find their names listed on the program. The "State of the City" address would not be possible without their financial support.

Would you also please join me in acknowledging my family: my parents, Tom and Ruth Ann Newton, my daughter, Sydney, and my husband, Paul.

One of the toughest parts of delivering the annual State of the City is finding the proper words to adequately thank an exceptional group of people at City Hall for the results they deliver, day in and day out, for this city. The accomplishments you're going to hear about over the next few minutes are a direct result of their commitment to excellence.

They are so capably led by Bruce Rudd, Fresno's City Manager, Renena Smith, Assistant City Manager, Georgeanne White, my chief of staff, Kelli Furtado, my deputy chief of staff, Wilma Quan, deputy city manager, and all the other team members in the Mayor's and City Manager's office.

I also want to recognize Doug Sloan, the Fresno City Attorney, and his team in the City Attorney's Office. Since Doug assumed his role, our city is getting sued less and, when we are sued, winning more. That's a good thing for Fresno taxpayers!

It is an honor to serve alongside such smart, talented, and dedicated people. And in spite of the pressure, we have fun, too. I'm surprised **those** stories haven't come out yet...In January 2017, I think I'll stage a "State of the City Uncensored" event and let you in on the "behind the scenes" stories that don't quite make their way into these annual speeches.

I truly enjoy sharing this amazing experience with you all – thank you.

Now, all city employees who are here, please stand so we can thank you for your service to our community.

Unfortunately, our city family experienced an inordinate amount of loss this last year with the passing of 9 employees. Some you may have heard about, like Officer Michael

Scholl and Detective Edgar Valle-Sandoval, but you may not have heard of the passing of:

- Ben Rash, Code Enforcement
- Gary Bertsch, Public Utilities
- Liz Foin, Economic Development
- Irene Frank, Public Works
- Alfonso Hernandez, Jr., Parks Department
- John Herring, Fresno PD
- Jesus Robles, Transportation

While I know it's impossible to capture the service and dedication of these employees in a simple speech or memorial, I do believe it is important to honor them and celebrate their lives by remembering their good work.

And we're thankful for the triumphs that emerge from tragedy – I can't think of a better example of triumph than Fresno Fire Captain Pete Dern. We all saw the horrible video – in fact, the nation witnessed it as Capt. Dern fell through the roof of a burning garage. People across the country prayed for Pete and his family as we awaited news of his medical status.

Fortunately, Pete is, by all accounts, a fighter – and his recovery is remarkable. His hospital room is filled with cards, and signs from children and first responders from around the country. Doctors say Pete continues to respond well to his surgeries, he's healing steadily and may be out of the hospital by October.

For his family and friends, his fellow firefighters, and everyone in the City of Fresno who's rooting for him – Pete Dern is worth every smile, every prayer, and every hope.

Speaking of hope, I'm reminded every day that an attitude of hope and optimism – along with a lot of hard work and difficult decisions - got the City past predictions of financial collapse and bankruptcy to achieve something the naysayers still can't believe.

We have a structurally balanced budget two years in a row. We've paid off our negative fund balances and re-established a reserve fund. And I'm pleased to say that in this year's budget we are finally beginning to rebuild service levels in public safety, parks, trails, streets, and neighborhoods

That didn't happen by accident. For the past 6 years, we've nurtured a shared vision of financial stability and the revitalization of our City and focused on creating partnerships to achieve that vision.

At a time when gridlock and partisanship are handcuffing progress in other parts of the nation, here in Fresno we are celebrating unprecedented achievements through strong collaborations that reach beyond partisan politics to put our community first and create a unified sense of purpose.

It is through those partnerships...with our residents, our employees, our business community, our faith-based organizations, and our community groups that I can share with you today ... **the state of our City is stronger than ever.**

The nation is buzzing about what we've accomplished in Fresno.

The Atlantic Magazine ran a series this spring called "American Futures" that has highlighted Fresno's comeback. And there's so much to write about that it took them 10 installments!

For all of us who have been in the trenches, fighting for every inch of recovery and believe...truly...madly...deeply...that we're on the cusp of something epic happening right here in Fresno, let me state for the record – it's about damn time somebody noticed!

I may have gotten a little carried away. ☺ In fact, I have to admit that the Atlantic wasn't the first to notice Fresno's comeback.

Last spring, the Pat Brown Institute listed Fresno as leading both the state and the nation in economic expansion.

In July, the California Employment Development Department indicated that the City of Fresno was the 5th best job creating city in the state.

In September 2014, the U.S. Department of Commerce came out with their report that showed exports in Fresno County grew by 17%. That's 2 ½ times the national average.

And the real-estate website Trulia.com put Fresno on its list of top 10 housing markets to watch in 2015.

And then, in January of this year, the Brookings Institution published a report ranking the 300 fastest growing metropolitan economies in the world. That report indicated that, when comparing job growth in 2014 over 2013 at the metro level versus national averages, Fresno was the 4th best job creating region in the world with a 4.5% growth rate compared to 1.9% nationally.

Those indicators prove that Fresno's economy is clearly pointing in the right direction. But for the state of our city to continue growing stronger, Fresno understands as well as any community the need to become more globally competitive in the 21st century economy.

That's why, in February of this year, we were pleased to be named one of eight metro areas in the nation to participate in the Global Cities Initiative, a five-year joint project of the Brookings Institution and JPMorgan Chase.

This designation provides another level of depth for our efforts to secure Fresno's long-term economic success.

The Global Cities Initiative will help our region put together an export and promotional strategy to showcase Fresno as the gateway to the one of the world's greatest agricultural and water technology regions and increase global investment in this region.

To advance this export strategy, next week, I'll be joining Philadelphia Mayor Michael Nutter at the White House and addressing President Obama, members of his cabinet, and the President's Export Council on the importance of exports to our city and region and the role of infrastructure in the movement of goods and services as our area businesses work to get their products to markets around the nation and world.

In the process of working with our ag and water tech companies to expand their global reach and improve their economic competitiveness, it's good to know that we can also make sure the highest quality fruits and vegetables that are grown all around and outside the city...also find their way right from the fields onto kitchen tables in homes across our community. Now, that's possible thanks to a new local food subscription service called "OOOOBY."

OOOOBY – get used to saying it because it's going to be a big name for Fresno foodies!

OOOOBY stands for "Out Of Our Own Back Yards," and it's a business venture that puts together boxes of locally grown produce sourced directly from farms and organic gardens around the Central Valley.

Food Commons Fresno is managing the operation. They took a building on Belmont Avenue that had been vacant for almost a decade and turned it into a distribution hub for local produce to be delivered to subscribers around Fresno. Their goal is to expand the service, particularly to lower-income neighborhoods that don't have access to fresh produce.

We've certainly enjoyed seeing the fruits – and vegetables – of these efforts. But it wouldn't have been possible without the leadership of Food Commons Fresno and the vision of T&D Willey Farms, who believed in the idea so much that they sold their business at half the value, giving the other half to support the mission of Food Commons Fresno.

You can get a closer look at the service that OOOBY provides – and sign up for your own subscription - at their display table in the lobby.

Not only is OOOBY helping to make fresh produce available throughout our community, but they are also adding jobs to the local economy. To fill the positions they had available at their distribution site on Belmont, they just put a “Help Wanted” ad in the front window. Their new employees all came immediately from the South Tower District neighborhood, and they are poised for rapid expansion.

Do you know what a relief it is to start this annual State of the City address with some **good** economic and financial news? I was actually looking forward to being here this year! And, we're just getting started!

The biggest fiscal news from this past year wasn't the sexiest story. It didn't go viral. It never trended on Twitter. But it's big.

For the first time in years, our independent auditor's report contains no mention of the words “going-concern.” That's the first unqualified opinion for City finances since 2011.

It is a relief to have backed away from the fiscal cliff. And, while the city's immediate financial crisis may be over, it doesn't mean the work stops. The road to complete recovery can only be built by sustained efforts and disciplined spending plans that balance our need to restore service levels and our need to fully fund our emergency reserve.

I'd like to take a moment to thank our employees who have been willing to make concessions to help minimize the impact of the recession on the City such as the Fresno Police Officers Association. In this last year, the FPOA proactively approved a new labor agreement back in September, almost one year before their contract was up for renewal.

It's enabled us to start restoring public service levels, and with the City Council's support, this month we will pass a budget that adds 43 police officers over the course of the year.

We're also adding a fire company for Station 9 to increase service in central and downtown Fresno, which will increase minimum daily firefighter staffing from 70 to 73 firefighters.

And as we're rebuilding our staffing levels, we're working to rebuild trust.

The Washington Post recently highlighted the success of the Fresno Police Department in avoiding the turmoil and unrest we've witnessed in places like Baltimore and Ferguson. The article documented a sustained initiative led by Chief Jerry Dyer, that puts and emphasis on outreach, where officers go out into communities and develop relationships with our residents.

As many experts agree, the cop on the beat who develops relationships still works.

The list of accomplishments from this past year is impressive – and long enough that it's difficult to capture the full impact during a single luncheon.

Perhaps one of the most significant accomplishments happened on December 18, 2014, when the supermajority of the Fresno City Council adopted the 2035 General Plan.

The General Plan is our community's vision for Fresno's future. It's our blueprint for the next 20 years for everything from police and fire services to parks, pipes, and neighborhoods. It strives to produce the most positive outcome for **all** the residents of our city.

It's not every day that the Fresno City Council adopts a general plan. In fact, the 2035 plan is only the 6th general plan adopted in the history of the city, and is the first major update since 2002.

During the public meetings for the new plan, I heard some of the most profound comments from members of our community that I think I have heard since being in public office.

A pastor of a local church stepped up to the microphone and said this plan is a vision, and he reminded us that "without vision, the people will perish."

Another resident, a young college student named Angela, told us that she saw this plan as "the inheritance" that her generation hoped for and urged us to adopt it.

And yet another resident told us that she was there in support of the plan because she believed unbridled growth had left our city behind. She was a grandma and said she was there that night to speak on behalf of her four young grandsons who live in Fresno and who she hoped would grow up and remain here.

We know that the adoption of the 2035 General Plan is just the beginning and the first of many, many things that need to be done to see life return to our urban core. The next major step involves adopting a new development code.

If the General Plan is a recipe, the development code is the ingredients. If all you have is a good recipe, but none of the ingredients needed to make it, you're not going to get very far.

Our current development code is a document that's had a number of attempts at revision but, substantially, still contains many of the same regulations that were passed back in 1962. Frankly, our Development Code is so old, it actually qualifies for the National Historic Registry. 😊

But we're doing something about it. We've taken an outdated, arcane document and made sensible changes that not only reinforce the General Plan, but also allow properties to be developed in ways that improve returns for investors and also enhance the quality of life in our community.

The public comment period for our draft Development Code just ended with hundreds of comments and suggestions that will help make it work for everyone. I look forward to working with City Council to pass the new Code in the coming weeks.

I imagine there will be a few "arm wrestles" between the Administration and the City Council to get the new code adopted. But, as Frederick Douglass once said, "If there is no struggle, there is no progress."

Speaking of progress, I want to plant a "seed of hope" in you about the progress that is, in fact, possible along the Blackstone corridor.

As many of you know, our new General Plan rightly recognizes this thoroughfare as the spine of the city. Millions of dollars of public services and infrastructure investments are going to be made along this corridor in the next few years alone to support private investment. For our entire city to work, we need the Blackstone corridor to work and to accommodate a new and different type of development.

Which is why it was so understandable when many in our city expressed frustration...and a particular council member I know even expressed his outrage when

learning that a Smart and Final would NOT be built on the southwest corner of Blackstone and Clinton.

The Administration responded saying, “We know how frustrating this is! But sometimes that’s just the way the development process goes. These things can take a little time, but don’t give up hope! The Blackstone corridor **IS** going to make its comeback.”

In fact, our words of encouragement to not give up are proving to be quite wise because, I’m very pleased to tell you that Smart and Final has signed a lease to take over the Save Mart store...where? You guessed it. At Blackstone & Clinton.

So, it’s looking like we are ending up with a new Smart & Final along the Blackstone corridor after all.

A new General Plan and a new supporting development code are two big pieces in the puzzle of addressing blight and impoverished conditions in our older neighborhoods.

As we began preparing the new General Plan over five years ago, it became crystal clear that the City’s policies needed a major reversal as we looked at the steady progression of Fresno’s “blight line.”

In 1984, city leaders at the time expressed concerned about what was going on in neighborhoods south of McKinley Avenue. In the 1990s, that line moved north to Ashlan.

Fast forward another decade and Mayor Autry was proclaiming **Shaw** Avenue as the dividing line between stable and deteriorating neighborhoods.

Today, that line has moved all the way up to **Herndon Avenue**. Census data tells us that about 2/3 of those living in neighborhoods south of Herndon Avenue are living in

“poverty” or “extreme poverty” neighborhoods. Addressing those conditions is the motivator behind our new General Plan and its companion development code.

It’s also the focus of an initiative I announced two weeks ago - RESTORE Fresno. RESTORE Fresno represents the City’s comprehensive efforts to improve property values, living conditions, public safety and the overall quality of life in our older neighborhoods.

RESTORE Fresno includes:

- Land use planning in Southwest, Southeast, and Central West Fresno;
- Building resident leadership and deploying Neighborhood Revitalization Teams in the Lowell, Jefferson, El Dorado, Kirk, and Yokomi neighborhoods;
- Promoting incentives for private investment in these and other established neighborhoods; and
- Working with property owners and businesses along the Fulton Corridor, Blackstone Avenue, and in the Tower District on improving the viability of these major, commercial centers of the city.

Believe me when I say that I hear the arguments against the kind of work we are attempting in Fresno’s urban core. “The problem is too big. That part of the city is too far gone. There is nothing you can do, Mayor.”

I have evaluated each of these arguments. Carefully. Thoughtfully. I have considered whether we have **any other options** and have concluded that we can’t continue ignoring the challenges in Fresno’s older neighborhoods and expect that the problems will fix themselves.

Ignoring the problem has not proven to be an effective strategy over the last 30 years. If it had showed any signs of working, I would be the biggest proponent! It would certainly make my job a lot easier...but I think we all know that the conditions in our older neighborhoods will not change without the actions the City is taking:

- Correcting local laws and regulations,
- Focusing our precious few grant dollars and public infrastructure in a manner to attract private investment, and
- Working with our partners – residents, businesses, property owners, schools, and other agencies – to bring about changes in older neighborhoods.

I will say again what I have said on numerous other occasions: We have to **face** the challenges of inner city Fresno and **fix** them, instead **of ignoring** them and **pretending** they will go away. **Face and fix. Not ignore and pretend.**

As you know, I feel very strongly about this for our city and quite literally spend most of the hours in every day working on issues related to turning around the inner city and improving our economy. But no matter how much my team and I push and no matter much we know is being accomplished, every day at City Hall, we receive emails and take phone calls and read op-eds and letters to the editor and posts on Facebook and Twitter asking – and in some cases demanding – that we fix everything NOW. Stop blight NOW. Build parks NOW.

And, I get it. I understand the frustration, and I don't want you to let up. But, you need to know that we are all trying to get to the same place, and there is still a lot of Fresno that needs fixing. In the process of agitating for more – more improvements, more acceleration, it is important to honor and to be truthful about the work that **IS** being done and the progress that **IS** being made to improve our neighborhoods and support job creation.

As you all know, the single best way to accelerate changes and improvements in our inner city is to do everything possible to accelerate job creation in Fresno. While City Hall only manages a small portion of the job creation process – it's important that we do our job with excellence.

In each of my last 6 state of the city addresses, I've talked about the importance of improving City Hall's development processes so that we are not a hindrance to job creation and investment.

Last year, I updated you on the creation of the Business Friendly Fresno initiative (BFF for short) launched specifically to turn Fresno into one of the top cities on the West Coast for business friendliness by reducing red tape and establishing accountability.

Before we had roadblocks. Now, thanks to BFF, we have building blocks.

Under the strong co-chairmanship of both Pete Weber, business community leader, and our own Development Director Jennifer Clark, Business Friendly Fresno is going strong. Pete and Jennifer, thank you again for spearheading this important effort.

The results are impressive, and the improvements are substantial. We now use defined project levels, each with an optimized process. And the simpler the project, the quicker the review – in some cases, you can get approved right there at the counter.

The more complex projects get reviewed by a collaboration of department staff to discuss the application, give concise and thorough feedback, and establish clear protocols for decision making.

Bear with me for the next few minutes, because I have a lot of statistics I want to share with you...

In 2014, Business Friendly Fresno processed almost 13,000 applications, completed almost 65,000 inspections and checked over 5,600 plans.

It served over 13,000 customers at the front counter, and the average wait time for customers was only 14 minutes.

In 2014, 92% of level 1 and 3 conditional use permits were completed on time. 68% of level 2 CUPs, and **100%** of Level 4 CUPs were completed on time in 2014.

For site plan reviews, also in 2014, level 1 and level 2 projects were completed 72% and 82% respectively, and **100%** of level 3 and level 4 site plan reviews were completed on time.

Those numbers got even better in the first quarter of 2015. For CUPs, 78% of level 2 projects were completed on time, and **100% of level 1, 3, and 4** projects were completed on time.

For site plan reviews in Q1 of 2015 – we only had 1 Level 4 project – the most complicated level of project. It wasn't completed on time but was finished within just a few days of the deadline. For all other projects – all level 1, 2 and 3 projects – **100% were completed on time.**

We have funded the additional staff positions added to implement BFF in this year's budget to continue making improvements and we're beginning to set money aside to replace the City's antiquated software system that is used to track the development process.

Thank you, again, to our co-chairs Pete Weber and Jennifer Clark and Mike Sanchez and their team in the development department and all the community leaders who have volunteered their time to be a part of the BFF initiative.

I think you can tell that we're working hard to help "get to yes" for Fresno businesses instead of getting stuck at "no."

We're also working to help the most vulnerable in our community as they work to turn their lives around.

They are the homeless you see on our streets. Sadly, among these, are men and women who have served our country and who now need our help.

I am proud to say that as a result of our local partnerships we have significant community momentum toward the effort to end veteran homelessness.

In 2014, Fresno was selected by the White House for its “25 Cities Initiative” and I was happy to join the Mayor’s Challenge to End Homelessness.

Those invitations were based in large part on the national reputation our city has earned through Fresno First Steps Home and its partner agencies, such as the Fresno Housing Authority, Poverello House, WestCare, Turning Point, and the entire Continuum of Care, to address chronic homelessness.

We have seen some pretty awesome results.

Just two days ago, we got some important news. Fresno experienced another 40% reduction in the number of chronically homeless. That’s a 52% reduction over the last two years alone.

And, we’re poised for even greater improvements. This past February we introduced a new level of housing and case management service called the MAP Point at the Pov, which stands for “Multi Agency Access Program,” a first point of contact based at the Poverello House. As the name suggests, the MAP Point at the Pov involves a number of service providers and different agencies all working together in one location to make sure that people who need help getting services get the right care the first time.

I realize that sometimes when we talk about this issue, all you hear is numbers and agency names and “MAP Point” this and “Continuum of Care” that...It’s easy to get lost in the maze of government funding streams and programs. But, it’s important to continually remind ourselves that we’re talking about real people with real stories.

People like DeeDee Shaw. You may have seen her story in the Fresno Bee in December of last year. DeeDee tells us, “I didn’t wake up one day and decide to be homeless.” She found herself living on the streets of Fresno after a string of tragic events. “I took care of my terminally ill mother for nearly two years until she passed away. I began looking for work but in June the next year, a speeding car hit my eleven-year-old son. He spent the next two and a half months at Children’s Hospital and the doctors didn’t know if he would survive.

Three months after he was released, our home caught fire in the middle of the night. We lost our dog, our car, and we lost everything but the pajamas we’d worn to bed.”

DeeDee searched for assistance but was unable to find shelter with her son, who went to live with her grandparents.

“Being homeless is soul crushing,” says DeeDee. “You live in fear when you are homeless. I was spit on. People threw things at me as they drove by. People assumed I was a prostitute. I thought I was going to die out there. I felt empty and depressed. I cried every day for the first month because I thought, ‘I’m going to die and my son won’t remember me,’” DeeDee recalls.

DeeDee learned about Fresno First Steps Home and the city’s efforts to address homelessness through the Poverello House. With First Steps Home’s help, she was able to secure housing in August of 2013, reunite with her family, finish her education and secure full-time work.

“I work at Saint Agnes now and I drive a soccer mom car,” DeeDee says proudly. I needed a hand up, not a hand out.”

Though DeeDee is happy now, at one point, she was ready to give up. “I’m not sharing my story to get pity,” she says. “I’m telling my story to open your eyes. Not every

homeless person is a drug addict or lazy or mentally ill. If this could happen to me, it could happen to anyone.”

DeeDee Shaw, thank you for being willing to share your story and reminding us that we must not stop our efforts until we end chronic homelessness in our city. Please stand and be recognized.

It is inspiring to see people and organizations coming together, working in a collaborative fashion, all with the motivation of helping Fresnoans in need get back on their feet and on the path to independence.

And, that’s exactly what we see happening at the Fresno Bridge Academy. Sponsored by Reading and Beyond, the Bridge Academy got started back in 2009, when Pete Weber saw a need to help Fresno families develop 21st century job skills.

He recognized that existing programs didn’t go far enough to bring residents from Fresno’s poorest neighborhoods into the economic mainstream and that a different strategy would be required. So, Pete created an innovative program to give at-risk adults the education, experience, and even the work ethic necessary to successfully enter the workforce.

Fresno’s Bridge Academy serves as a pipeline to resources and services for job-seeking adults and their families to break down barriers and build the self-reliance that will help them transition from unemployment, to finding a job, to getting a better job, and ultimately establishing a career.

To date, the Fresno Bridge Academy has over 80% of its graduates finding new jobs, as well as producing a \$5.50 return on every tax dollar invested. It’s been an overwhelming success.

Hundreds of success stories have already come from the Bridge Academy, which has earned a national reputation for effectiveness, and on March 19th, the USDA announced that Fresno had been awarded one of only ten Federal grants across the nation to expand the program. This \$12 million grant will enable the Fresno Bridge Academy to serve 1,500 families over 3 years at 9 different sites in Fresno County.

Congratulations to Pete Weber, Reading and Beyond and the team at the Fresno Bridge Academy for your success on behalf of our community.

The examples of transformation and civic innovation just keep coming in Fresno. Our community is blessed with so many people transforming the way we respond to and solve problems.

Even if they're only in 6th grade.

You've hopefully heard about this group of exceptional young men that comprise the Robotics Team from Riverview Elementary School. They call themselves the "Fab 5." (Gentlemen, will you please stand and be recognized?)

Last fall, their coach, Kevin Murai, brought them to our first "Recharge Fresno" forum to learn about water conservation and talk to City water officials about our infrastructure plans.

And, from there, they had a dream – the kids were really cute when they came to a City Council meeting earlier this year – they had a dream of creating a mobile app that would help Fresnoans conserve water.

The team's idea came out of a requirement from their entry in the FIRST LEGO League competition to identify a problem, develop an innovative solution, and share that solution with others.

The “Fab 5” decided on a concept for a water conservation mobile app that could be used by City of Fresno water customers to keep track of consumption in real time.

To modernize legendary Art Linkletter’s saying, kids “**app**” the darndest things.

They made their pitch, and our staff was so impressed with the team’s demonstration that City Manager Bruce Rudd promised to sit down to discuss moving forward with their proposal.

We brought in our team, they brought in their team, and we invited BitWise Industries to bring the tech sector into the conversation.

Everyone – and I mean everyone - saw an opportunity to turn the Fab 5’s idea into reality while at the same time providing our residents with real time information on their water usage. The catch? The start up cost was estimated at \$51,000.

That’s a tough number to hit when you’re on a weekly allowance.

Never doubt that anything is possible when the right idea meets the right hearts, particularly when 5 cool kids are involved!

Based on that discussion, I pledged the first \$5000 to fund the development and launch of this new water conservation app – and our friends at the Fresno Chamber and BitWise followed suit.

Two weeks ago, we announced that not only will the City support the development of the mobile app, but that “Fab 5” is now fully funded!

My thanks to AT&T California for their generous donation, along with commitments from PG&E, the Fresno Chamber of Commerce, BitWise and many others.

These young men are truly inspiring, and I'm so pleased that our community has stepped up to support their dream.

And if you're wondering ... their water conservation app is already in production with an estimated launch in 120 days.

On top of that really cool app, coming soon to a smart phone near you...yet another mobile app that will help city residents take control of their neighborhood by connecting with city services to resolve issues quickly.

It's called "FresGO" – Fresno City Services on the GO.

The new "FresGO" mobile app is a free, simple, real-time platform to report concerns, track requests, provide comments, and learn about city services. It's a one-stop shop to communicate and connect with City departments.

"FresGO" is easy to use and just as easy to follow – see a problem, like a pothole or a broken sprinkler, click on the app, submit a request, even snap a picture of the problem, and hit the send button. You can track the progress of your service request and get an email letting you know when the issue has been resolved.

See. Snap. Send. Take control of your neighborhood (and watch for the official launch announcement for our "FresGO" mobile app later this month.)

We're anticipating that a large number of service requests on the new FresGO app will be related to water conservation issues. That's as it should be. We're all extremely concerned about the effects of the drought and its long term implications on public health and safety and our economy.

As you know, water conservation has been a major focus for the City of Fresno over the last several years. We have found ways to cut back on our water use. We've looked at every conservation option with a plan to fix the problem, not fine our customers.

And despite all of the progress made through conservation efforts, the City's water future was very much in question.

In order to build the infrastructure necessary to capture, treat and use the surface water we'd already been paying for, save our wells from contamination, and replace pipes that are at least 60-70-80 years old, we knew we'd have to do something no political figure wants to do.

We proposed a rate hike. Not the best move for anyone running for office. Like, I don't know, like someone running for state controller. My opponent certainly made hay out of this proposed rate hike in her campaign last year.

And, there was plenty of local opposition to the rate hike, as well.

About this time last year, the opposition managed to gather enough signatures to put an initiative to repeal those rates on the ballot. Our water infrastructure plan was in crisis.

But there's a legend that says the Chinese character for "crisis" is made up of two other characters that represent "opportunity."

We seized this unique opportunity to regroup and spend additional time talking with our fellow Fresnans about just what it was going to take to ensure a reliable and sustainable water supply for Fresno's present and future residents.

After exhaustive public outreach, town halls, and community meetings, on February 26, 2014 in a 6-1 vote our Fresno City Council adopted the new rate plan and the \$429 m capital plan.

WHEN it starts raining again (and it will) and WHEN our infrastructure is built (and it will be), we'll transition our customers from groundwater and onto available surface water. Our aquifer will recharge, thereby creating a "water savings account" for Fresnoans for future drought years, which will make Fresno one of the best, if not THE best, "water resourced" cities in California.

Our kids are going to thank us. Our grandkids. Our great-grandkids, and so on. But, that wouldn't have happened if it wasn't for a small number of people who demonstrated a large amount of political courage. Thank you Fresno City Councilmembers!

Despite the promise of new water infrastructure in years to come, conservation is still going to be a critical part of our balanced water program, particularly considering the drought and state mandated consumption reductions.

When the City Council voted last July to go to the City's Stage 2 water conservation plan with restrictions on outdoor watering to 2 days a week, you responded like champs.

In fact, when Gov. Brown mandated strict reductions in water consumption based on 2013 levels, Fresno water customers led the way again – in fact, by the end of 2014, we had cut back on our water usage by over 6 billion gallons, more than any other city in the state of California except for one.

And I think they cheated. ☺

There are no shortcuts to successful water conservation. The Governor has set a high bar for everyone to reach – Fresno's goal is 28% reduction in water consumption by the end of February 2016. I am thrilled to say we're almost there!

I can officially announce that, as of the end of May, we've reduced water consumption by 18% in Fresno – which means we're only 10% away from meeting our goal!

But we can't stop, not when we're this close. We still need to reach out almost 2,000 customers that are still watering every day of the week.

(Let me repeat – *2000 Fresno water customers who are still watering every single day!*)

We will reach out to them, as well as the tens of thousands of customers who are watering on Mondays, Thursdays and Fridays and ask them simply to “Count to 2.” If we can get everyone on the two-day-a-week watering plan, we can easily hit the mandated 28% goal.

To help promote water conservation and tolerance for the effects we are all experiencing from less watering, we launched our “Don't Frown On Brown” conservation campaign this spring. [USE ANECDOTE OF TELLING GOVERNOR ABOUT “DON'T FROWN ON BROWN”]

We want everyone to know that it's OK if your lawn goes dormant. It **CAN** come back to life.

Speaking of dormant things coming back to life...let's talk about Downtown and the Fulton Mall project! I saved my favorite subject for last.

All you regulars know to expect a good Swearengin riff on downtown in each State of the City address. Well, here goes:

After almost 40 years of debate (that's a nice way of saying “fighting”), years of planning and feedback from residents, property owners, and Downtown Fresno stakeholders, we developed a plan for the comprehensive revitalization of the Fulton Corridor, Fresno's historic main street. The place where all the tall buildings are, and the place with the greatest stock of historic buildings anywhere in Central California, and also the place where all those buildings have sat, largely vacant...dormant for decades...experiencing

the equivalent of a 40 year **economic** drought that robbed this historic main street of life and activity and vibrancy.

But on February 27, 2014, the **rain drops of revitalization** started to fall when the Fresno City Council voted to open up the pedestrian mall and allow street traffic to return and to again breathe life into this dormant corridor.

The February 27, 2014 decision will go down as one of the most significant actions taken by the City of Fresno in the history of our revitalization efforts.

Since that decision, there have been literally millions of dollars of real estate transactions take place along this corridor. Investors knowing the area is about to boom and wanting to ride that wave.

I am pleased today to update you on the progress of the project – the City will go out to bid this summer, and we will break ground on the Fulton Street reconstruction project by the end of the year.

We are finally ready to bring the Fulton Street Corridor back to life!

Those articles in the Atlantic Magazine saw signs of life already popping up along the Fulton Corridor and, frankly, throughout Downtown Fresno.

The writer offered a glowing endorsement of our approach to revitalizing our downtown, with the acknowledgement that our formula for revival - a shared narrative, private-sector partners, and a public official championing a far-sighted plan (that's me, I guess) – had found success in every other city who followed that story arc.

I suppose James Fallows was right in assessing my role in the comeback of Fresno's downtown – the public champion for revitalization. When I'm finished serving as the Mayor of Fresno, I want it to be said of me that I was willing to make any personal or

political sacrifice...do whatever it took...to turnaround our downtown and inner city...up to and including engage in a very public Twitter war with District 7 Councilmember Clint Olivier.

Spurred on by my desire to promote Downtown Fresno's triple-A baseball team, I gladly stepped into the ring to fight for the prize of winning the "Fresno Famous" bobblehead tournament. And, while my real and pure motivation was to help support one of Downtown Fresno's largest and most exciting tenants – the Fresno Grizzlies – I have to admit that I also kinda wanted a bobblehead of myself.

My first opponent? Clint Olivier.

Clint threw the first punch in the Twittersphere and then IT WAS ON!

Clint tried to get me to give up early saying he was sure to win, to which I Tweeted, "RU Kidding Clint Olivier? Give up now! This blonde bob was custom made for a bobblehead."

Clint responds with this fierce comeback: "As a former TV newsie, I am also proud of my hair. It's as good as yours. May the best do win. #me."

My response to Clint: "I concede that you have good hair" and then followed up with "@ClintOlivier your head bobbles every Thursday at Council meetings... 'yes... uh... no... uh... I don't know?!"

Eventually, I prevailed over Councilmember Olivier, and Steve Perry, and two of those DJ's from Q97, and made it into the Final Four where I eventually lost to former NFL star Ickey Woods.

Even with a loss to Ickey Woods, the experience was gratifying, not just because I thoroughly enjoyed sparring with Councilmember Olivier, but because it gave the

community a chance to rally around our Fresno Grizzlies and ensure a successful launch to their new season AND to their new identity.

As you know, the Grizzlies lost their long-time major league affiliate, the Giants, but they have embraced their new identity. The Grizzlies...make that the FIRST PLACE GRIZZLIES...are totally Fresno's team. They successfully petitioned Minor League Baseball to wear an "I Believe in Downtown Fresno" patch on their uniform. They pronounced their home in the Central Valley is "Growlifornia." And they made sure the fans knew that even though the players may come and go, the front of the uniform always says "FRESNO."

Derek Franks, the new Grizzlies general manager, and his entire staff should be congratulated for their vision, their innovation, and their passion for their hometown.

They are changing the local mindset and I couldn't be more thrilled. Derek, please stand and take a bow.

And, by the way, I'm also happy that I finally got my very own bobblehead! Take that, Clint Olivier!

There's something in the Grizzlies' recent buzz that I think bears repeating. That we have to change the self-deprecating mindset that Fresno is somehow unworthy. That we don't deserve good things. That the things we're taking on in our city are just impossible.

You know, that's simply not true.

Think of how far we've come from that shocking cover of Time Magazine in 2013 that claimed we were practically on the brink of extinction. Now, consider where we are today.

I hope I've conveyed to you in the last 30 minutes just how much has been and is being accomplished to improve our city. But in case you're still not getting that message, let me just dial it back a few clicks and give you the highlights of what's happening all around us:

- 20-year land use plan – done, approved
- 50-year water plan – done, approved
- 2nd best water conservation effort in the state
- City finances - all negative fund balances – paid off. Dropped the statement of “going concern” from our audit. Had a -\$18 m reserve just four years ago. That will be a +\$16 m by June of next year.
- 43 new police officers and a fire company in this year's budget.
- 52% reduction in chronically homeless people in two years.
- Breaking ground on Fulton Mall construction project this year. Millions of dollars in private investment already happening in anticipation of the street.
- Business Friendly Fresno – 100% of projects processed on time in Q1 of this year
- Led the nation in % of job creation in 2014 compared to 2013
- Gaining national attention for our efforts to remake our inner city.

On top of all that – here are a few more highlights from your community:

- Complaints against Fresno PD have dropped 27% at a time when community and law enforcement are experiencing extraordinary conflict levels across the nation. No Officer Involved Shootings in 8 months.
- Major expansion of transit services through Bus Rapid Transit – approved, starting construction this year with services beginning in 2017
- Bitwise launches 2 years ago and now the home to 28 tech companies with another 50 expected in its new South Stadium campus.
- Broke ground on the nation's first high speed rail project in January.
- Fresno Unified – 10 point gain in graduation rates in 5 years.

We're hitting our marks, Fresno. All around us, big pieces of the Fresno transformation puzzle are being snapped into place because of hard work, determination, collaboration, a little bit of luck and a whole lot of good timing.

Our city is changing, but for some of us, our minds are not.

George Bernard Shaw once said, "Progress is impossible without change, and those who cannot change their minds cannot change anything."

Reading the newsprint, Twitter feeds, Facebook posts, and listening to the airwaves on any given day in Fresno, it's clear that our community, at times, continues to battle a self-defeating, negative view of this place we call home.

And, while there's still so very, very much to be done...battles to be won for this city, I believe our biggest challenge yet will be to win...once and for all...the mindset battle.

The mindset that says, "That will never work! It's too far gone. You can't change those neighborhoods. You can't change those schools!" That mindset must change for us to keep going and to keep making the incredible progress we've already proven with results is possible.

The way we win this battle over mindset is to make a choice. Winston Churchill said, "Destiny is not a matter of chance, it is a matter of choice; it is not a thing to be waited for, it is a thing to be achieved."

We must choose to recognize the accomplishments in our city – and let those successes whet our appetite for even greater breakthrough.

We must choose to find solutions for even the most vexing, longstanding struggles in our community and not shrink back for fear of failure.

We must choose to see Fresno as what we are becoming, not just what we've been.

As we make that choice, Fresno, we **will...complete...**our city's transformation and...as Churchill so eloquently stated...achieve our city's destiny.

May God bless you, and may God richly bless the City of Fresno.